

TRUST AND AGENCY FUNDS



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Department of Finance & Administration



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TRUST AND AGENCY FUNDS

Trust and agency funds are used to account for assets held by the State in a fiduciary capacity or as an agent for individuals, private organizations, or other governments and/or funds. The trust and agency funds consist of the following:

Expendable Trust Fund - This fund is accounted for in essentially the same manner as governmental funds and is administered by the Arkansas Employment Security Department to eligible unemployed workers.

Pension Trust Funds - These funds are accounted for in essentially the same manner as proprietary funds, and includes Judicial, Teacher, State Police, Highway, and APERS retirement plans.

Agency Funds - These funds are custodial in nature and do not involve measurement of operations. Included in these funds are assets held by the Insurance Department and various other state agencies.



Trust and Agency Funds Combining Balance Sheet

June 30, 2001
(Expressed in Thousands)

	Expendable Trust	Pension Trust		
	Employment Security Division	Judicial	Teacher	State Police
ASSETS:				
Cash and cash equivalents	\$242,548	\$ 5,901	\$ 203,599	\$ 17,256
Investments		109,157	8,190,817	216,861
Receivables, net:				
Accounts	44,168		151	
Employer			4,566	3
Employee			7,094	
Investment related		1,326	227,817	2,546
Due from other governments	6,708			
Due from other funds - primary government	953			
Advances to other funds - primary government			20,705	
Fixed assets, net			1,238	
Other assets			50	
TOTAL ASSETS	<u>\$294,377</u>	<u>\$ 116,384</u>	<u>\$ 8,656,037</u>	<u>\$236,666</u>
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Accounts payable	\$ 410	\$ 869	\$ 121	
Accrued and other liabilities	69,612		1,013,052	\$ 32,363
Due to other governments	4,142			
Due to other funds - primary government				
Agency liabilities				
Total Liabilities	<u>74,164</u>	<u>869</u>	<u>1,013,173</u>	<u>32,363</u>
Fund balance:				
Reserved for unemployment compensation	220,213			
Reserved for employee pension benefits		<u>115,515</u>	<u>7,642,864</u>	<u>204,303</u>
Total Fund Balance	<u>220,213</u>	<u>115,515</u>	<u>7,642,864</u>	<u>204,303</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$294,377</u>	<u>\$ 116,384</u>	<u>\$ 8,656,037</u>	<u>\$236,666</u>

Agency Funds				
Highway	APERS	Insurance Department	Other Agencies	Total
\$ 38,677	\$ 310,548	\$ 12,643	\$ 15,655	\$ 846,827
950,868	4,457,001	435,826		14,360,530
	8,970			53,289
562	1,442			6,573
294				7,388
8,403	83,842			323,934
				6,708
				953
				20,705
	140			1,378
	25			75
<u>\$ 998,804</u>	<u>\$ 4,861,968</u>	<u>\$ 448,469</u>	<u>\$ 15,655</u>	<u>\$ 15,628,360</u>
				\$ 1,400
\$ 132	\$ 846,981			1,962,140
				4,142
			\$ 126	126
		<u>\$ 448,469</u>	<u>15,529</u>	<u>463,998</u>
<u>132</u>	<u>846,981</u>	<u>448,469</u>	<u>15,655</u>	<u>2,431,806</u>
				220,213
<u>998,672</u>	<u>4,014,987</u>			<u>12,976,341</u>
<u>998,672</u>	<u>4,014,987</u>			<u>13,196,554</u>
<u>\$ 998,804</u>	<u>\$ 4,861,968</u>	<u>\$ 448,469</u>	<u>\$ 15,655</u>	<u>\$ 15,628,360</u>

Pension Trust Funds

Combining Statement of Changes in Plan Net Assets Held in Trust for Pension Benefits

For the Fiscal Year Ended June 30, 2001
(Expressed in Thousands)

	Judicial	Teacher	State Police	Highway	APERS	Total
ADDITIONS:						
Contributions:						
Employer	\$ 4,077	\$ 181,116	\$ 7,105	\$ 14,395	\$ 100,926	\$ 307,619
Employee	<u>745</u>	<u>68,718</u>		<u>6,848</u>	<u>301</u>	<u>76,612</u>
Total Contributions	<u>4,822</u>	<u>249,834</u>	<u>7,105</u>	<u>21,243</u>	<u>101,227</u>	<u>384,231</u>
Investment income (loss):						
Net depreciation in fair value of investments	(5,731)	(435,733)	(28,115)	(39,741)	(300,060)	(809,380)
Interest	3,873	163,305	4,601	34,467	96,343	302,589
Dividends	629	55,759	543	1,090	19,677	77,698
Real estate operating income		5,116			2,392	7,508
Other		49,371	2,160	1,470	30,822	83,823
Less investment expense	<u>(535)</u>	<u>(88,933)</u>	<u>(2,869)</u>	<u>(3,179)</u>	<u>(38,777)</u>	<u>(134,293)</u>
Net Investment Loss	<u>(1,764)</u>	<u>(251,115)</u>	<u>(23,680)</u>	<u>(5,893)</u>	<u>(189,603)</u>	<u>(472,055)</u>
Other additions - Miscellaneous revenues	<u>54</u>	<u>702</u>	<u>72</u>		<u>7,533</u>	<u>8,361</u>
TOTAL ADDITIONS (LOSSES)	<u>3,112</u>	<u>(579)</u>	<u>(16,503)</u>	<u>15,350</u>	<u>(80,843)</u>	<u>(79,463)</u>
DEDUCTIONS:						
Annuity benefits	3,770	323,392	12,197	35,108	135,331	509,798
Refunds of employee contributions	19	2,975		1,134	369	4,497
Administrative expenses	49	8,258	168		3,854	12,329
Other deductions				<u>607</u>	<u>8</u>	<u>615</u>
TOTAL DEDUCTIONS	<u>3,838</u>	<u>334,625</u>	<u>12,365</u>	<u>36,849</u>	<u>139,562</u>	<u>527,239</u>
NET DECREASE	(726)	(335,204)	(28,868)	(21,499)	(220,405)	(606,702)
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS AT BEGINNING OF YEAR	<u>116,241</u>	<u>7,978,068</u>	<u>233,171</u>	<u>1,020,171</u>	<u>4,235,392</u>	<u>13,583,043</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS AT END OF YEAR	<u>\$ 115,515</u>	<u>\$ 7,642,864</u>	<u>\$ 204,303</u>	<u>\$ 998,672</u>	<u>\$ 4,014,987</u>	<u>\$ 12,976,341</u>

Pension Trust Funds

Statement of Net Plan Assets

June 30, 2001

(Expressed in Thousands)

	Judicial	Teacher	State Police	Highway	APERS
ASSETS					
Cash and cash equivalents	\$ 5,901	\$ 203,599	\$ 17,256	\$ 38,677	\$ 310,548
Investments	109,157	8,190,817	216,861	950,868	4,457,001
Receivables, net:					
Accounts		151			
Employer		4,566	3	562	8,970
Employee		7,094		294	1,442
Investment related	1,326	227,817	2,546	8,403	83,842
Advances to other funds - primary government		20,705			
Fixed assets, net		1,238			140
Other assets		50			25
Total Assets	<u>\$ 116,384</u>	<u>\$ 8,656,037</u>	<u>\$ 236,666</u>	<u>\$ 998,804</u>	<u>\$ 4,861,968</u>
LIABILITIES					
Accounts payable	\$ 869	\$ 121			
Accrued and other liabilities		1,013,052	32,363	132	846,981
Total Liabilities	<u>869</u>	<u>1,013,173</u>	<u>32,363</u>	<u>132</u>	<u>846,981</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	<u>\$ 115,515</u>	<u>\$ 7,642,864</u>	<u>\$ 204,303</u>	<u>\$ 998,672</u>	<u>\$ 4,014,987</u>

Agency Funds

Statement of Changes in Assets and Liabilities

For the Fiscal Year Ended June 30, 2001
(Expressed in Thousands)

	<u>Balance July 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2001</u>
INSURANCE DEPARTMENT:				
Assets:				
Cash and cash equivalents	\$ 19,731		\$ 7,088	\$ 12,643
Investments	<u>421,457</u>	<u>\$ 14,369</u>	<u> </u>	<u>435,826</u>
TOTAL	<u>\$ 441,188</u>	<u>\$ 14,369</u>	<u>\$ 7,088</u>	<u>\$ 448,469</u>
Liabilities -				
Agency liabilities	<u>\$ 441,188</u>	<u>\$ 14,369</u>	<u>\$ 7,088</u>	<u>\$ 448,469</u>
OTHER AGENCIES:				
Assets:				
Cash and cash equivalents	\$ 29,101	\$ 46,858	\$ 60,304	\$ 15,655
Investments	585		585	
Due from other governments	<u>81</u>	<u> </u>	<u>81</u>	<u> </u>
TOTAL	<u>\$ 29,767</u>	<u>\$ 46,858</u>	<u>\$ 60,970</u>	<u>\$ 15,655</u>
Liabilities:				
Due to other governments	\$ 14		\$ 14	
Due to other funds - primary government	56	\$ 146	76	\$ 126
Agency liabilities	<u>29,697</u>	<u>41,455</u>	<u>55,623</u>	<u>15,529</u>
TOTAL	<u>\$ 29,767</u>	<u>\$ 41,601</u>	<u>\$ 55,713</u>	<u>\$ 15,655</u>